

Article - Health - General

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§19–702.

(a) In adopting this subtitle, the General Assembly intends to:

(1) Provide alternative methods for the delivery of health care services to residents of this State, with a view toward achieving greater efficiency and economy in providing these services;

(2) Encourage the formation of health maintenance organizations that provide health care services to subscribers or groups of subscribers who contract for these services under a system of prepayments; and

(3) Encourage the formation of health maintenance organizations by such diverse groups as:

(i) Nonprofit health service plans;

(ii) Medical health service plans;

(iii) Medical care foundations;

(iv) Groups of professionals, either in the form of partnerships or professional corporations;

(v) Consumer sponsored organizations; or

(vi) Business or legal entities.

(b) To carry out the intent of subsection (a) of this section, the policy of this State is to:

(1) Provide one overall State law that:

(i) Regulates health maintenance organizations;

(ii) Allows flexibility for the many forms these health maintenance organizations may take; and

(iii) Facilitates public understanding and uniform administration of the rules and regulations that are adopted under this subtitle;

(2) Eliminate legal barriers to the organization, promotion, and expansion of health maintenance organizations;

(3) Provide for regulation of:

(i) The quality of health care, by the Department and by professional standards review organizations where appropriate; and

(ii) All other matters covered under this subtitle, by the Commissioner; and

(4) Exempt health maintenance organizations from the insurance laws of this State, except as set forth in this subtitle.

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